

**LEMON GROVE CITY COUNCIL**  
**AGENDA ITEM SUMMARY**

**Item No.** 1.D  
**Mtg. Date** May 19, 2015  
**Dept.** Public Works

**Item Title:** Levy and Collection of Assessments within the Lemon Grove Wildflower Landscape Maintenance Assessment District 97-1 for Fiscal Year 2015-2016

**Staff Contact:** Mike James, Public Works Director

**Recommendation:**

Adopt a resolution (**Attachment B**) approving the levy and collection of assessments within the Lemon Grove Wildflower Landscape Maintenance Assessment District 97-1 for Fiscal Year 2015-2016 and directing the City Clerk to file the levy with the County of San Diego Auditor and Controller on or before August 10, 2015. |

**Item Summary:**

The Lemon Grove Wildflower Landscape Maintenance Assessment District 97-1 was created in September 1997, pursuant to the provisions of the Landscaping and Lighting Act of 1972. The District includes 46 properties.

The engineer's report was presented and approved by the City Council on September 2, 1997. In order to pay for maintenance of the landscaped areas, the assessment may be adjusted annually by the greater of 3 percent or the percentage increase of the Consumer Price Index (CPI), within a maximum cap of \$335 per parcel.

Staff recommends a 3 percent increase in the assessment for Fiscal Year 2015-2016. The staff report (**Attachment A**) details the reasons and the proposed budget for the Wildflower Landscape Maintenance Assessment District. |

**Fiscal Impact:**

The FY 2015-2016 budget anticipates revenues of \$9,200 and expenditures totaling \$7,700. |

**Environmental Review:**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Not subject to review<br><input type="checkbox"/> Categorical Exemption, Section | <input type="checkbox"/> Negative Declaration<br><input type="checkbox"/> Mitigated Negative Declaration |
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**Public Information:**

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|--|---|
| <input checked="" type="checkbox"/> None<br><input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Newsletter article<br><input type="checkbox"/> Notice to property owners within 300 ft.<br><input type="checkbox"/> Neighborhood meeting |
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**Attachments:**

- A. Staff Report
- B. Resolution



## LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 1.D

Mtg. Date May 19, 2015

**Item Title: Levy and Collection of Assessments within the Lemon Grove Wildflower Landscape Maintenance Assessment District 97-1 for Fiscal Year 2015-2016**

**Staff Contact:** Mike James, Public Works Director

### **Discussion:**

On September 2, 1997, the City Council created the Lemon Grove Wildflower Landscape Maintenance Assessment District 97-1 (District), pursuant to the provisions of the Landscaping and Lighting Act of 1972. At that meeting, an engineer's report detailed the need for an assessment in order to pay for the maintenance of the landscaped areas. The District includes 46 properties located along both sides of Gold Lake Road, Blue Lake Court, Long Lake Court, and Green Lake Court.

Each year, the City Council may increase the annual assessment by the greater of 3 percent or the percentage increase of the Consumer Price Index (CPI), with a maximum cap of \$335 per parcel. As reported in March 2015 by the United States Department of Labor, Bureau of Labor and Statistics, the CPI for All Urban Consumers in the San Diego area increased by 1.3% during the prior 12 months.

As established in Fiscal Year 2014-2015 (FY 2014-15), District staff recommends building the District's reserve fund up to its established goal of \$11,550. This goal equals one year of District total expenditures plus 40 percent of operational expenditures anticipated in one-year. The benefits of establishing this reserve account will accomplish two goals: 1) It will prevent any cost overruns or property assessment defaults from negatively impacting the City's General Fund budget; 2) It will establish a reserve balance that would adequately fund any unforeseen major infrastructure repairs or utility cost increases during the year.

For the reasons detailed above, staff recommends a 3 percent increase in the assessment from \$194.23 to \$200.04 during FY 2015-16, which equals the greater of 3 percent or the percentage increase of the CPI. The following District budget was prepared to reflect staff's recommendation.

# Attachment A

<b>FY 2015-16 Budget Descriptions</b>	<b>Balance</b>
Beginning Fund Balance	\$5,000
Revenue	
Annual Assessment Revenue	\$9,200
Expenditure	
Salaries – Regular	(\$3,900)
Benefits	(\$1,000)
Contract Services	(\$1,700)
SDG&E / Helix Water	(\$1,000)
Transfer to City for Admin & Operations	(\$100)
<b>Ending Fund Balance</b>	<b>\$6,500</b>

At the end of FY 2015-16, staff anticipates a surplus of \$1,500, which will increase the fund balance to \$6,500. The District will meet its reserve goal of \$11,550 in four years if the District continues to experience similar surpluses.

Staff will continue to monitor the fiscal stability of the District each year, paying close attention to the expenditures made and the need to adjust the annual assessment in order to safeguard the District's fiscal health.

## **Conclusion:**

Staff recommends that the City Council adopt a resolution (**Attachment B**) approving the levy and collection of assessments within the Lemon Grove Wildflower Landscape Maintenance Assessment District 97-1 for Fiscal Year 2015-2016 and directing the City Clerk to file the levy with the County of San Diego Auditor and Controller on or before August 10, 2015. |

# Attachment B

## RESOLUTION NO. 2015 -

### RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA APPROVING THE LEVY AND COLLECTION OF ASSESSMENTS WITH THE LEMON GROVE WILDFLOWER LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT 97-1 FOR FISCAL YEAR 2015-2016

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**WHEREAS**, on September 2, 1997, the City Council adopted Resolution No. 1805, declaring the results of a property owner protest proceeding held in the Lemon Grove Wildflower Landscaping Maintenance Assessment District 97-1 (District); and

**WHEREAS**, the engineer's report for the District, approved by Resolution No. 1804, on file with the City Clerk, gives a full and detailed description of the proposed assessments upon assessable lots and parcels of land within the District; and

**WHEREAS**, the City Council desires to increase the assessment against parcels of land with the District for the fiscal year commencing on July 1, 2015 and ending June 30, 2016, to pay the expenses of operating, maintaining and servicing landscaping and appurtenant facilities located within public places in the District; and

**WHEREAS**, the City Council has determined that a 3 percent increase in the annual assessment will be needed for Fiscal Year 2014-2015.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lemon Grove, California hereby:

1. Sets the assessment rate for Fiscal Year 2013-2014 in the Lemon Grove Wildflower Landscape Maintenance Assessment District 97-1 at \$200.05 per parcel; and
2. Directs the City Clerk to file the levy with the County of San Diego Auditor and Controller on or before August 10, 2015.

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